

**SPEECH BY THE CHAIRMAN & MANAGING DIRECTOR MR SHYAM S BHARTIA AT
JUBILANT'S 29TH AGM : 25TH SEPT. 2007**

Good morning ladies and gentlemen. It gives me great pleasure to welcome each of you to the 29th Annual General Meeting of Jubilant Organosys Limited today.

We are delighted to be here with all of you as we celebrate our 25th year of operations. It has been a long and successful journey where we have created an outstanding global organization with unique strengths. I am sure many of our shareholders will also share our sentiments and support our endeavours to continue this growth momentum and to do even better in the future.

Our performance during the financial year 2006-07 reflects a continuation of the commendable progress we made in the past few years, led by a clear operating strategy.

Outsourcing: A Global opportunity being leveraged by Jubilant

The Pharmaceutical and Life Science industry is rapidly moving towards a more cost efficient manufacturing and research model. The factors contributing to this trend are increasing competitive pressures, rising demands for greater compliance with regulatory standards and sheer economics. Thus, outsourcing has become a critical driver to the performance and profitability of companies in this industry and leading to the growing importance of third party service providers, such as Jubilant.

As a leading player in the Custom Research and Manufacturing Services (CRAMS) industry, Your Company has put into place the necessary building blocks that make for a successful and sustainable outsourcing model. Today, more than 55% of our revenues and 65% of our profits come from outsourcing related activities. Your Company not only enjoys an integrated presence across the Pharmaceutical value chain, but has also achieved international scale in key product categories.

FY2007 financial performance

On a consolidated basis, your Company's revenues during the fiscal year 2007 were Rs 18,097 million, up 20.7% Y-o-Y. Out of this, the Pharma and Life Sciences Products business accounted for half of total revenues at Rs 9,226 million. CRAMS was primarily the leading contributor in the PLSP business. International revenues stood at Rs 8,318 million improving 41.3% over FY2006 and contributed 46.0% to overall revenues. This was mainly achieved by increase in sales to key regulated markets including the U.S., Europe and Japan. EBITDA increased 59.3% during FY2007 from Rs 2,367 million last year to Rs 3,771 million, followed by better profitability in the CRAMS and Medicinal Chemistry segments under PLSP and favourable raw material pricing in the Industrial Products businesses. The Company's Net Profit was Rs 2,280 million higher by 76.0%, translating to an EPS of Rs 13.02.

On a standalone basis, the Company's revenues grew by 16.1% to Rs 16,097 million in FY2007 from Rs 13,860 million in FY2006. EBITDA was Rs 3,663 million, increasing 53.9% over last year. The profit after tax was Rs 2,315 million as compared to Rs 1,388 million resulting in a growth of 66.8%.

Q1 FY2008 performance

On a consolidated basis, during the first quarter of current fiscal year 2008, net revenues were Rs 5,400 million, showing an improvement of 31.3% over last year. This increase was primarily driven by growth in Pharma and Life Science products and services. The Company's Net Profit was up 210% at Rs. 1,429 million from Rs. 461 million in Q1FY07.

Your Company has acquired 100% equity in Hollister-Stier Laboratories LLC, a contract manufacturing organisation (CMO) in May 2007. The company is based in Spokane, Washington, USA and is a leading Contract manufacturer of sterile Injectable vials and Lyophilization products and is one of the world's top producers of Allergenic extracts.

Dividend

Adhering to our tradition of sharing benefits of the Company's progress with its shareholders, the Board of Directors has recommended a dividend of 125% of fully paid up Equity Share.

Outlook for FY 2008

We are confident of a strong performance during FY2008 and expect our revenues to grow more than 35% compared to the previous year and the profitability levels, would far exceed the pace set by revenue growth.

Our optimistic outlook stems from expected strong results in the PLSPS business segments, particularly in the CRAMS operations with the signing of a multi-million dollar contract with one of our major customers and robust performance in our Drug Discovery and Development Services subsidiary operations.

Cornerstones to growth: Corporate governance and sustainability

Jubilant has been one of the first companies to publish the Corporate Sustainability Report addressing the triple bottom line as per Global Report Initiative (GRI), duly audited by Ernst & Young. Further, the Reporting adheres to the G3 guidelines with A + application level as ratified by the GRI.

Jubilant has committed itself to highest business standards and corporate governance and is a company of uncompromising integrity and performance. In recognition of its sound corporate governance practices, it has recently been awarded the Golden Peacock Global Award for the year 2006-2007. This award is given by the World Council for Corporate Governance, UK.

Conclusion

We are in an exciting growth phase where there are numerous opportunities for us. I am sure that our pro-active approach and the confidence of our shareholders will help us optimise each of these opportunities into making Jubilant a 'Preferred Outsourcing Partner' to the world.

I on behalf of the Board thank and acknowledge the continued support of our customers, vendors, employees, bankers, lenders, investors and shareholders in our endeavours.

Thank you.